



CODE EDC 17-11-02-291
Economic Development Corporation of the City of Detroit

APPROVAL OF MINUTES OF NOVEMBER 14, 2017 MEETING

RESOLVED, that the minutes of the Regular meeting of November 14, 2017 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Economic Development Corporation.

November 28, 2017

**ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, NOVEMBER 14, 2017 – 8:30 A.M.**

BOARD MEMBERS PRESENT: Marsha Bruhn
Linda Forte
Chris Jackson
Jonathan Quarles
Matthew Roling

BOARD MEMBERS ABSENT: Monique Claiborne
Kimberly Clayson
Maurice Cox (Ex-Officio)
John Naglick (Ex-Officio)
William Ritsema
Thomas Stallworth

**SPECIAL DIRECTORS
PRESENT:** Lisa Randon (Tiger Stadium Site Redevelopment)

**SPECIAL DIRECTORS
ABSENT:** Sharon Malinowski (Tiger Stadium Site Redevelopment)

OTHERS PRESENT: Gay Hilger (DEGC/EDC)
Malinda Jensen (DEGC/EDC)
Jennifer Kanalos (DEGC/EDC)
Eric Larson (Larson Realty Group)
Glen Long (DEGC/EDC)
Larry Marantette (Taktix Solutions)
Rebecca Navin (DEGC/EDC)
Sarah Pavelko (DEGC/EDC)
Tim Richey (Detroit Police Athletic League)



Economic Development Corporation of the City of Detroit

**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, NOVEMBER 14, 2017
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD, SUITE 2200 - 8:30 A.M.**

CALL TO ORDER

Noting that a quorum was present, Chairperson Forte called the Regular meeting of the Economic Development Corporation Board of Directors to order at 8:36 a.m.

GENERAL

Approval of Minutes

Ms. Forte asked if there were any additions, deletions or corrections to the minutes of the October 30, 2017 Special Board meeting. Hearing none, the Board took the following action:

On a motion by Ms. Bruhn seconded by Mr. Quarles, Resolution Code EDC 17-11-02-290 was unanimously approved.

PROJECTS

Fourth Amendment to the Development Agreement with Tiger Stadium Partners, LLC for the Tiger Stadium Site

Ms. Pavelko stated that in August, 2017, the Economic Development Corporation of the City of Detroit ("EDC") executed the fourth amendment to the Development Agreement (as amended, the "Agreement") with Tiger Stadium Partners, LLC (the "Developer") for the redevelopment of the portions of the old Tiger Stadium site to provide an extension to close. The Developer's project will incorporate a 4-story building along Michigan (Parcel 4) with approximately 25,000 square feet of ground floor retail and 102 residential units (the "Mixed Use Project"). In addition, the Developer, or, subject to Article 18 of the Agreement, Developer's affiliate, Tiger Stadium Partners 2, LLC ("TSP2"), will build a minimum of 24 townhomes along Trumbull Ave (Parcel 3) (the "Townhomes Project").

The Developer had anticipated closing on the land and all equity and financing transactions by October 15, 2017. To account for additional reserve requirements based on the underwriting of the project, additional New Market Tax Credit (NMTC) equity has been committed to the project and the Developer has increased their equity committed to the project. The reserve requirements have caused certain delays subsequent to the requested extension requiring additional time to close on the financing required by the Agreement. The Developer has requested an extension to close until December 15, 2017.

November 14, 2017

Staff reviewed the request and timeline to move this project to completion. Based on this review, Staff proposed an amendment to the Agreement as follows (the "Proposed Amendment"):

1. Closing Date for Mixed Use and Townhouse projects is extended to December 15, 2017. Developer may not close on the purchase of Parcel 3 and/or 4 from the EDC prior to closing on all financing and equity transactions for the Mixed-Use Project or Townhouse Project.

EDC staff requested the Board's approval to amend the terms of the development agreement previously approved by the EDC Board to reflect the changed terms above.

A draft resolution was provided for the Board's consideration.

Subsequent to a discussion, the Board took the following action:

On a motion by Mr. Jackson, seconded by Mr. Quarles, Resolution Code EDC 17-11-76-24 was unanimously approved.

1st Amendment to the Amended and Restated Development Agreement with Detroit Police Athletic League

Ms. Pavelko reported that in June, 2016, the Economic Development Corporation of the City of Detroit ("EDC") executed the Amended and Restated Development Agreement (as amended, the "Agreement") with DETROIT POLICE ATHLETIC LEAGUE, LLC (the "Detroit PAL" or "Developer") relating to the construction of an athletic field (the "Playing Field") and permanent headquarters to provide unique programming to Detroit PAL participants and families (the "Project").

In Section 13.01 of the Agreement, the Developer agreed not to develop the Playing Field using a field surface that utilizes crumb rubber infill. After conducting further due diligence, the Developer has determined that utilizing a field surface with crumb rubber infill is in the best interests of the Project, and the programming goals of the Developer. Crumb rubber infill is the state of the art for artificial turf at all levels including high school, college and pro sports, examples of which can be found at the recently-built synthetic turf fields at Renaissance, East English Village, Mumford, as well as synthetic turf fields at Cranbrook, Country Day, and West Bloomfield High. The rubber infill has been found to be safe, durable, efficient, cost effective, and playable. Based on this due diligence, the Developer has requested to amend the Agreement to allow the use of synthetic turf including crumb rubber infill.

Staff reviewed the request and the due diligence conducted by the Developer that led to the request. Based on this review, Staff proposed approving this request.

A draft resolution was included for the Board's consideration.

The Board members discussed their concerns regarding the possible health issues of the use of crumb rubber and requested a copy of the studies and the research that was done on the matter. Board members agreed to reconsider this item at a Special meeting on

November 14, 2017

November 20, 2017, provided they receive the requested information and have adequate time to review the material.

Subsequent to the discussion, the Board took the following action:

On a motion by Ms. Bruhn, seconded by Mr. Roling, Resolution Code EDC 17-11-76-25 was tabled,

ADMINISTRATION

EDC Audited Financial Statements and Management Report as of June 30, 2017

Ms. Kanalos advised that an electronic copy of the above-referenced material was sent to each Board member on November 8, 2017.

The EDC Finance Committee met and reviewed the material on September 19, 2017 and recommends formal receipt by the EDC Board.

The proposed resolution indicates the Board's formal receipt of the EDC Audited Financial Statements and Management Report as of June 30, 2017, with comparative totals as of June 30, 2016, as prepared by George Johnson and Company, Certified Public Accountants.

Subsequent to a discussion, the Board took the following action:

On a motion by Mr. Jackson, seconded by Mr. Quarles, Resolution Code EDC 17-11-01-196 was unanimously approved.

OTHER MATTERS

Mr. Long advised that Mr. Jemison would not be joining the DEGC in December, as reported at an earlier meeting, and the search team was discussing their options. Mr. Long stated that he would remain in the capacity of Interim President and CEO/CFO until the candidate is identified. This Board requested Mr. Jemison to present his plan on DEGC organizational issues. Mr. Long questioned whether the Board would like him to report on the current status. The Board felt it would be helpful for Mr. Long to do a presentation on the DEGC organization, staffing and how work gets done at a meeting in December.

Ms. Bruhn requested that people present for agenda items be asked to identify themselves when making comments to the Board.

Ms. Forte stated that she felt the Board had asked all the right questions and that it is not the intent of the Board to stall the Tiger Stadium Redevelopment project, but that it was just not ready to take action today due to the fact that the Board needs more information to make an informed decision.

PUBLIC COMMENT

ADJOURNMENT

With there being no further business, Ms. Forte adjourned the meeting at 9:20 a.m.



APPROVAL OF MINUTES OF OCTOBER 30, 2017 MEETING

RESOLVED, that the minutes of the Special meeting of October 30, 2017 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Economic Development Corporation.

November 14, 2017



TIGER STADIUM SITE REDEVELOPMENT: FOURTH AMENDMENT TO THE DEVELOPMENT AGREEMENT WITH LARSON REALTY

WHEREAS, in January, 2016, the Economic Development Corporation of the City of Detroit ("**EDC**") executed a Development Agreement (as amended, the "**Agreement**") with Tiger Stadium Partners, LLC (the "**Developer**") for the redevelopment of the portions of the old Tiger Stadium site, relating to the development of a 4-story building along Michigan (Parcel 4) with approximately 25,000 square feet of ground floor retail and 102 residential units (the "**Mixed Use Project**") and a minimum of 24 townhomes along Trumbull Ave (Parcel 3) (the "**Townhouse Project**" and together with the Mixed Use Project, the "**Project**"); and

WHEREAS, the Developer has experienced additional delays in the closing of the financing for the Project and has requested the following amendment (the "**Proposed Amendment**");

Closing Date for Mixed Use and Townhouse projects is extended to December 15, 2017. Developer may not close on the purchase of Parcel 3 and/or 4 from the EDC prior to closing on all financing and equity transactions for the Mixed-Use Project or Townhouse Project.

WHEREAS, the EDC Board of Directors has reviewed the Proposed Amendment determined it is consistent with the EDC's goal of redeveloping the Tiger Stadium site and are otherwise appropriate and consistent with the EDC's statutory purposes.

NOW, THEREFORE, BE IT, RESOLVED, that the Proposed Amendment is hereby approved.

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the EDC's Authorized Agents, shall hereafter have the authority to negotiate and execute an amendment to the Development Agreement, together with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

November 14, 2017



Economic Development Corporation of the City of Detroit **CODE EDC 17-11-01-196**

**ADMINISTRATION: EDC AUDITED FINANCIAL STATEMENTS AND MANAGEMENT
REPORT AS OF JUNE 30, 2017**

RESOLVED, THAT THE Board of Directors of the Economic Development Corporation (the "EDC") hereby receives the EDC Audited Financial Statements and Management Report as of June 30, 2017, with comparative totals as of June 30, 2016, as prepared by George Johnson and Company, Certified Public Accountants.

November 14, 2017